

Speech by Denise Rollins
Chargé d’Affaires, a.i.
at Company Launch of
Venture Investment Partners Bangladesh Ltd. (VIPB)
January 29, 2008
Sheraton Hotel Ballroom

Honorable Adviser Dr. Iftekhar Chowdhury, Representatives of Venture Investment Partners, distinguished guests, ladies and gentlemen: good evening.

It is a pleasure to be here tonight to congratulate Venture Investment Partners Bangladesh Limited on its launch, and to celebrate its vision as the first venture capital company in Bangladesh to target the needs of small and medium enterprises.

Small and medium enterprises are an essential part of any country’s economy. In Bangladesh, SMEs employ more than 80% of the country’s industrial workers and account for 25% of gross domestic product. There are several million such enterprises in the country, in such diverse fields as agriculture, manufacturing and even medical services. Clearly, this segment of the economy is critical to the country’s overall well-being. Providing SMEs with the tools to succeed is absolutely required to ensure true economic development in Bangladesh.

However, in Bangladesh, as in many countries, small and medium enterprises often find obstacles blocking access to formal financing institutions. They are too small to enjoy the established relationships that large corporations have with the banking industry, and too large to attract the support that some cottage industries and micro enterprises draw from non-government organizations. They not only lack financial resources, but also the advisory and technical support needed to move their businesses forward. I therefore applaud VIPB for recognizing the needs of SMEs and for its comprehensive approach in supporting them. I am also pleased to see the partnerships that banking and insurance institutions have developed with the U.S. Bangladesh Investment Group and other investors in establishing VIPB.

The U.S. Bangladesh Investment Group has harnessed the energy of Bangladesh’s most valuable resource, its people. Years of hard work by the members of this group have reaped substantial rewards, which they have now chosen to invest in the economic

advancement of their home country. They recognize the opportunities that exist, they recognize the creativity and perseverance of their countrymen, and they understand that given the right conditions, Bangladesh's economic potential is enormous.

We celebrate this launch during a period of increased uncertainty in the global economy, but also a period of unprecedented reform in Bangladesh. This reform has spurred renewed interest from American investors to look at Bangladesh as a destination for investment. The Dhaka Stock Exchange is at a 10-year high, up more than 60% in the last year. Analysts see the stock market doubling in size in 2008. Overseas investors, from Non-Resident Bangladeshi groups to global banks such as Citi and Goldman Sachs have recently held programs highlighting the opportunities here in Bangladesh. In this light, it is a critical time for innovation and creativity to deliver significant improvements to the people and economy of this country. Bangladesh's economic future is intricately linked to a number of factors, all of which must be coordinated to create optimal conditions for economic growth.

Economic growth depends on business and investor confidence and healthy government policy. Commitment to the electoral roadmap and sustainable economic stability is essential. I would challenge Bangladesh to address important issues such as infrastructure development, worker rights, and good governance to stimulate economic growth and investment.

As a long-term partner of Bangladesh, the United States supports the Government's efforts to strengthen institutions necessary for a functioning democracy. We urge Bangladesh to meet international standards for due process, rule of law and transparency, in order to fully attain the economic benefits of its enormously talented population.

I congratulate everyone whose efforts led to the successful launching of Venture Investment Partners Bangladesh Limited, and I wish you all the best in your and your country's future endeavors. Thank you.

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